

The Kid Angle

Kid-focused news from First Focus on Children

An interview with Budget Whisperer Michelle Dallafior November 9, 2023

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In times like these, it is natural to seek comfort, assurance, a sense that somebody, somewhere, actually understands what is happening and what might happen. Here at First Focus on Children, that somebody is Michelle Dallafior, head of the budget and tax team.

Here is Michelle’s take on what is happening — and what MIGHT happen — in the corridors of Congress as we approach Nov. 17 (with the usual caveat that everything’s fluid...):

“A clean CR” — that is, a Continuing Resolution that simply extends current government funding levels — **“seems like a growing possibility.”** (NOTE: this statement was confirmed at 3:32pmET, Thursday, Nov. 9...)

While CRs generally represent a congressional cop out (they just kick funding decisions down the road), in this case **a CR could be a win for kids. Because:**

1. House leadership has said any new budget bills must impose draconian cuts on children’s programs. Think: *A nearly [60% cut in fruits and vegetables for babies and toddlers.](#)*
2. The House and Senate are unlikely to reconcile any individual appropriations bills before Nov. 17, which could force a government shutdown, which could cause program instability. “There are more questions than answers in terms of reconciling the differences between House and Senate funding bills.”

Another option: House Speaker Mike Johnson has floated **[a two-tiered “ladder” approach.](#)** The specifics of this vehicle are murky (apparently, even to some lawmakers), but the general idea seems to be putting the easier funding bills — that is, the ones the House has the votes to pass — on a short CR, say through December. Funding bills with lots of daylight between House and Senate — **think Labor-Health and Human Services, Agriculture** — would be iced for longer. Lawmakers would then finish FY 2024 appropriations for the easy bills first and work their way to the harder ones.

The problem: By the time they get to the last bills, funding is likely to run short. [More than 80% of the programs we track in our annual Children’s Budget are funded by discretionary spending.](#) More than 70% of those are funded through Labor HHS.

“The ladder approach is super worrisome. What if Labor HHS is last? Kids’ programs could be squeezed painfully. The good news is that not all House members are on board with cutting kids and neither are Senate leaders.”

“All the bills we care about are going to be the hardest to reconcile. The bills with the shorter CRs, on the lower rungs of the ladder, are likely to get done first with potentially healthier funding. That would be my expectation. But it’s hard to predict.”

Supplemental Funding: President Biden has requested supplemental funding in several areas, including an additional \$16 billion for child care. “The supplemental funding and whether it can ride on a CR is unclear. Because majority members want to do border security and other issues. It seems like the Senate recognizes they’re going to have to swallow some hard-to-digest proposals.”

[Special note from First Focus on Children early childhood lead Averi Pakulis: "We know additional child care funding has some strong supporters on Capitol Hill, although this money won't come easily. Our ask remains - we need \$16 billion in child care funding, and we urge Congress to include this in its work to fund the government as soon as possible."]

On the Child Tax Credit: “A couple of things could happen”

“If they **do a single, government-wide CR into January**, that suppresses any political appetite to offer improvements to the child tax credit. January is already tax filing season. It becomes much tougher.”

“If they do **a CR into early December**, there’s another potential vehicle before the end of the year to carry a tax package.”

“If they do a CR into January — but they figure out a minibus of 3-4 bills to pass in December — an improved child tax credit might ride on something like that.”

Thus spake Dallathustra.

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